

New Orleans Commercial Corridor Revitalization Strategy

February 1, 2018

Case for a Citywide Policy and Strategy

- Leverage economic and community development potential of corridors
- Ensure appropriate resources and tools to incentivize and support revitalization
- Coordinate, align and access resources across sectors
- Link corridors to implementation of key plans, policies and priorities
- Create a clear pathway and resources for local stakeholders working on revitalization

Commercial Corridors:

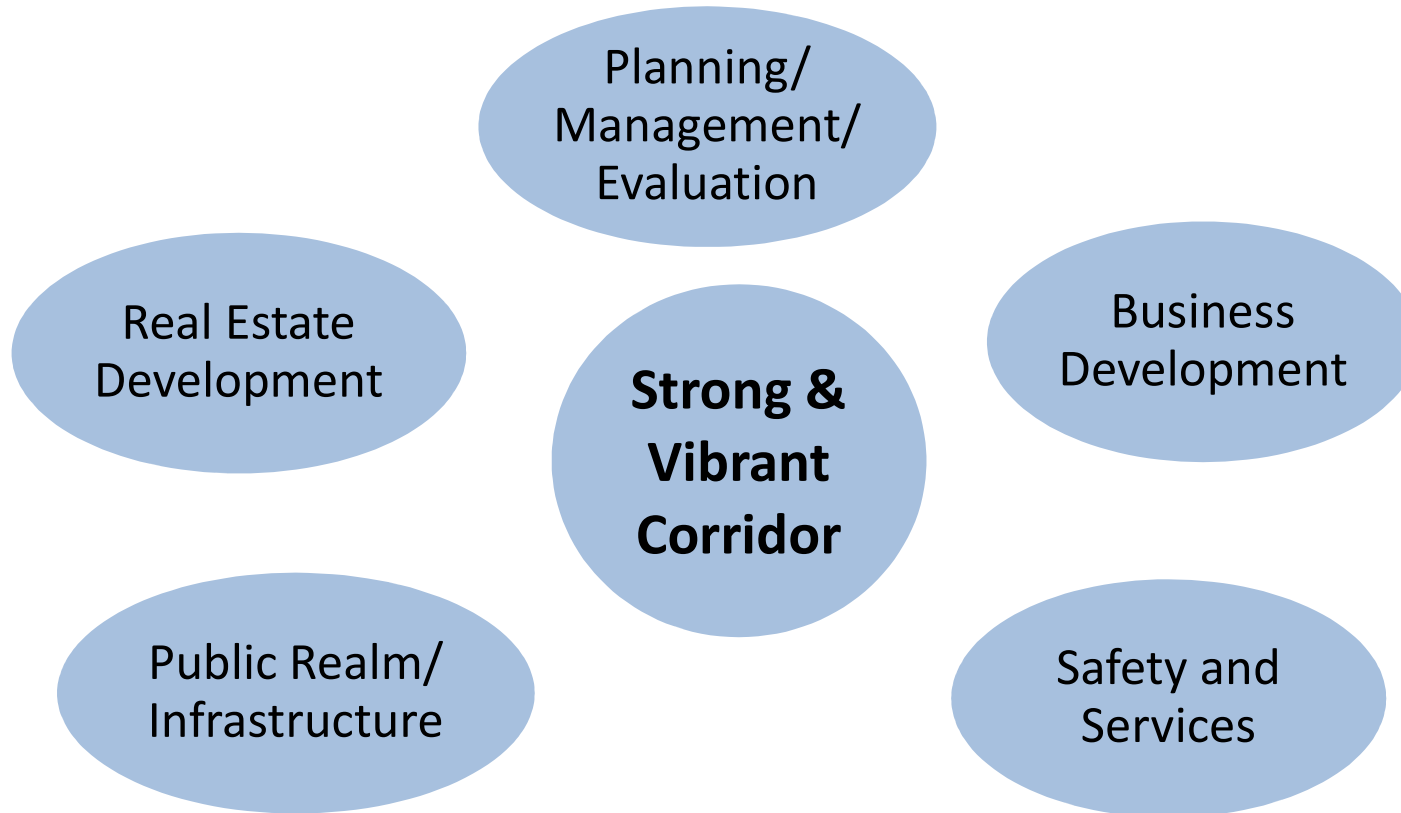
Alignment with New Orleans Master Plan

- Central to Master Plan vision for a livable, equitable and sustainable city:
“The city’s [existing]“main streets”...will be joined by new, walkable main streets in...other parts of the city. The animated farmers markets, arts festivals, and performance venues [in] these streets...will draw people to enjoy each other’s neighborhoods. St. Claude, North and South Rampart, and O.C. Haley will form a network of main streets that draws thousands of people on weekends to explore the city’s cultural diversity.”
- Central or supporting role to Master Plan goals across sectors
 - Neighborhood and Housing: core strategy for access to retail and services (Strategy 3A)
 - Historic Preservation : preservation strategy linked to neighborhood revitalization
 - Prosperity and Opportunity: supports goal of vibrant small business base
 - Environment : smart growth patterns with mixed-used walkable, bikeable neighborhoods

Commercial Corridors: Alignment with Other Plans

- Resilience Plan
 - Sites and support for property owner risk reduction and water infrastructure projects
 - Promotes opportunity/equity via expanded healthy food access and affordable housing
 - Linked to stronger city systems for transportation, business and neighborhood preparedness
- Prosperity NOLA
 - Location and part of ecosystem to promote entrepreneurship and small business
 - Help reposition city brand with livable, safe, and culturally rich neighborhoods
- Housing NOLA
 - Key to goal of neighborhoods with equal access to amenities
 - Supports policies for increased infill housing and affordable housing near high-frequency transit
- New Orleans Incentives Strategy
 - Encourage “vital neighborhoods of opportunity” via corridor revitalization

Framework for Commercial Corridor Revitalization



Findings: New Orleans Corridor Ecosystem Gaps

- No sustained core funding for corridor revitalization initiatives
- Weak coordination across city agencies to support of corridor revitalization
- Intentional strategies to advance social and racial equity & mitigate displacement
- Business development organizations and CDFIs do not target commercial corridors
- Increased financing and development capacity needed for real estate development
- Financing gaps: (1) NMTCs for large projects; (2) leasehold improvements to vacant commercial space; and (3) business owner property acquisition
- Tools to fund district management, improvements and services
- Universities are under-utilized to expand neighborhood capacity and expertise.

Corridor Programs in Other Cities

Researched 11 City Programs

- Baltimore Boston D.C.
- Orlando Milwaukee
- Portland Somerville, MA
- Seattle
- Philadelphia
- San Francisco

- Birmingham, AL

Three Program Types

- 1. Main Street programs:** city designates corridors as Main Street districts; provides operating grants and other support to independent 501(c)(3) organizations that oversee revitalization efforts.
- 2. Multiple city programs** with grants, loans, investment incentives, and other support for corridor revitalization and management. Each program has its own goals, funding parameters, and eligible recipients.
- 3. Centralized Management and Assistance:** citywide EDO (RevBirmingham) supports corridor revitalization with 3 staff district managers, small business loans and training, incentives and direct real estate development.

Commercial Corridor Strategy Goals and Priorities

Goals

- Strengthen commercial corridors as community and commercial centers
- Build community-based civic capacity
- Leverage corridors' potential to support city policy and planning goals:
 - Improved resiliency
 - Resident access to goods and services
 - Expanded economic equity
 - Expanded supply of affordable housing

System Gaps to Address

- Sustained funding for community-driven initiatives
- Coordinated city support for corridor revitalization
- Business outreach and development services targeted to commercial corridors and advancing equity
- Financing for commercial real estate acquisition and predevelopment
- Financing for business leasehold improvements and property acquisition
- Effective tools to fund district improvements and services
- Sustained university resources for corridor revitalization

Strategy Components: Core City Corridor Program

- 1. Core operating grants for designated corridor revitalization partnerships**
 - \$50,000/year to non-profits focused on targeted corridors that meet program standards
- 2. Dedicated staff person to oversee program**
 - Provide guidance to local partnership; liaison to/coordinate with city departments
- 3. Grants to business development organizations to support outreach and expanded services**
- 4. Equity and inclusion strategy to address racial and economic equity**
- 5. Flexible technical assistance and project fund to plan and implement special projects**

Estimated Annual Program Budget: \$435,000 to \$500,000

Strategy Components: New Financing Programs and Tools

- **Corridor Business Growth and Stabilization Fund**
 - Finance (1) leasehold improvements to bring new business into vacant ground floor space; (2) property purchase by existing businesses; (3) small commercial properties
 - Administered by CDFI with city participation; initial capitalization goal of \$2 million
- **NORA “Façade Plus”** to finance facades and interior improvements for small properties
- **Use Economic Development Districts** to provide sustained funding for expanded services, public improvements and district management.
 - Long-term goal: new state legislation for flexible process to establish corridor and neighborhood improvement assessment districts
- **Expand access to New Market Tax Credits (NMTCs)**: form new Community Development Entity or partner with existing one to secure NMTC allocations dedicated to New Orleans

Strategy Components: Planning, Capacity-building and Equity

- **Create housing development plans** for each designated corridor and surrounding neighborhoods
 - Integrate information on available properties, community priorities and city plans into a housing plan to guide developers and inform funding decisions on affordable housing.
- **Establish a university partnership** to enhance corridor planning and staff capacity through; (1) an internship program to place graduate students with corridor revitalization organizations; and (2) using regular “practicum” courses to prepare plans and undertake design or feasibility studies
- **Expand UNO Community Development Finance Certificate Program** to more corridors
- Explore a city **community benefits policy** in which large scale private and institutional development projects contribute to a community benefits fund and/or establish specific programs to link the projects’ development benefits to the surrounding neighborhoods
- Equity goals advanced via core program, housing plans expanded financing and business services

Strategy Alignment with Revitalization Framework

Business Development

- Core City Corridor Program
- Corridor Business Growth and Stabilization Fund
- Community Benefits Policy

Planning/ Management

- Core City Corridor Program
- Housing Plans
- University Partnership

Real Estate Development

- NMTC Initiative
- Economic Development Districts
- University Partnership
- Community Benefits Policy
- NORA Façade Plus
- Expand UNO CD Finance Training

Public Realm/ Infrastructure

- Core City Corridor Program
- University Partnership
- Economic Development Districts

Safety and Services

- Core City Corridor Program
- Economic Development District